



Issued June 23, 1938

Tentative

UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration

Regulations For Inspection And Sealing Agricultural
Commodities On The Farm To Be Used As Collateral
For Federal Loans Pursuant To The Provisions Of The
Agricultural Adjustment Act of 1938, As Amended.

Section 1 - National Supervision. The Agricultural Adjustment Administration, United States Department of Agriculture, shall cooperate with the Commodity Credit Corporation in administering loan programs pursuant to the provisions of Section 302 of the Agricultural Adjustment Act of 1938, as amended.

Section 2 - Regional Supervision. Representatives of the various divisions of the Agricultural Adjustment Administration administering the agricultural conservation program and the Agricultural Adjustment Act of 1938, as amended, shall confer with and instruct State agricultural conservation committees regarding the organization and supervision of the work of inspecting storage structures and the grain, sealing the structures, and certification of loan agreements.

Section 3 - State Committee. Each State committee shall, in accordance with instructions issued by the Agricultural Adjustment Administration, be responsible for the administration of the work of inspecting storage structures, the commodity, and sealing of the storage structure, and shall provide adequate assistance to county committees through its field supervisors. Each State committee shall keep such records as are required by the Agricultural Adjustment Administration, and shall provide for testing and grading samples of agricultural commodities which are offered as collateral for Federal loans, using the U. S. Standards as a guide.

Section 4 - County Committee. Each county committee shall be responsible for the administration of the work of county inspectors. The county committee shall determine the producer's eligibility for a Federal Commodity Loan in accordance with the regulations and instructions pertaining thereto; shall represent the Agricultural Adjustment Administration in the preparation of all loan documents, and shall certify approval of each loan. The county committee shall keep such records and make such reports as may be required by Agricultural Adjustment Administration with reference to the storage of different commodities.

Section 5 - Treasurer. The treasurer of each county agricultural conservation association shall collect the inspection fees as provided herein and deposit them in the association treasury to be disbursed as the county committee

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may direct. All such funds shall be audited in the same manner as the other funds of the association.

Section 6 - Inspectors. Inspectors shall be appointed by the county committee in July of each year or when necessary to fill vacancies subject to approval of the State committee and the regional director. Persons appointed as inspectors shall be bona fide farmers who are members of the county agricultural conservation association and who secure the major portion of their income from farms which they own or operate within the community. They must be bona fide residents of the county or community for which they are appointed. The State committee or regional director shall have authority to terminate the appointment of an inspector upon recommendation of the county committee or upon evidence that such inspector's work is unsatisfactory.

(a) The county committee shall establish the rate of pay per diem, and mileage for inspectors, subject to approval by the State committee. In no case shall the rate of pay per diem, or mileage for inspectors be in excess of such rates for the county committeemen in such county (except in those States where county committeemen receive no mileage). Inspectors shall, under supervision of the county committee, inspect the commodity and the storage structure, select a representative sample of the stored commodity to be forwarded to the State committee for testing and grading. Inspectors will make periodic reinspection of storage structures and commodities stored therein as required by the county committee.

Section 7 - Administrative Instructions. County committeemen and inspectors shall be instructed with reference to the inspection of storage structures, the commodity to be stored, taking of samples, and preparation of documents. Schools of instruction shall be conducted by the State committee and field supervisors.

Section 8 - Right to Enter Premises. The inspector or any person duly authorized by the Secretary shall have authority at all times to enter upon any premises for the purpose of inspecting or reinspecting storage structures and the commodity in storage and sealing such structures upon application by the producer for a Federal loan.

Section 9 - Fee For Inspecting and Sealing Storage Structures and Commodities. Each applicant for a Federal loan shall pay in advance a minimum inspection fee of \$3.00 which shall apply to only one farm and shall be forfeited by the applicant if the loan is not accepted. Upon completion of the loan documents, the applicant shall pay to the county treasurer the sealing fee established by the county committee and approved by the State committee, less the advance payment. The maximum sealing fee for wheat shall be two cents per bushel and one cent per bushel for corn.

Section 10 - Seal. Upon the approval of a structure and the approval of the commodity stored therein as acceptable collateral for a loan under the Act, the inspector shall seal the storage structure and attach a warning sign with the following legend:

Ever-Normal Granary

WARNING

Sealed Under Authority Of The Agricultural
Adjustment Act of 1938

THE UNITED STATES DEPARTMENT OF AGRICULTURE CERTIFIES THAT THE RECEPTACLE FOR GRAIN HAS BEEN OFFICIALLY INSPECTED AND IS HEREBY SEALED PURSUANT TO THE PROVISIONS OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938 AS AMENDED.

ANY PERSON TAMPERING WITH THIS SEAL, AS AFFIXED BY THE INSPECTOR, OR ENTERING THIS RECEPTACLE, OR WHO IN ANY MANNER INTERFERES WITH THE GRAIN STORED HEREIN, UNLESS AUTHORIZED TO DO SO, WILL BE SUBJECT TO THE PROVISIONS OF THE UNITED STATES CRIMINAL CODE.

(Dept.)
(Seal)

SECRETARY OF AGRICULTURE
OF THE UNITED STATES.

Seal Number _____

Section 11 - Unlawful Breaking of Seals. Any person unlawfully entering or breaking into any storage structure sealed under the provisions of these regulations except when such entering or breaking shall be imperative to prevent damage, loss, or destruction of the commodity stored therein, shall be subject to the provisions of the United States Criminal Code.

Section 12 - Duty of Owner. Nothing in these regulations shall, in any manner, be interpreted or construed to relieve the owner of the commodity from exercising that degree of care in the safekeeping of the commodity in storage which a reasonably prudent man would exercise with regard to similar property of his own.

Section 13 - Fraudulent Certification. Any owner, agent, or servant of an owner, inspector, member, or employee of the county agricultural conservation committee, who fraudulently makes or aids in fraudulently making a false certification for any commodity, knowing that it contains any false statement, shall be subject to the provisions of the United States Criminal Code and Section 16(a) of the Reconstruction Finance Corporation Act. The latter reads as follows: "Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of obtaining for himself or for any applicant any loan or extension thereof by renewal, deferment of action or otherwise, or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the Corporation, or for the purpose of obtaining money, property, or anything of value, under this Act, shall be punished by a fine of not more than \$5,000, or by imprisonment for not more than 2 years, or both."

Section 14 - Right to Appeal. Any owner aggrieved by any ruling or decision of the county committee may appeal in writing within 30 days, to the State committee. The State committee shall render its decision within 30 days of the receipt of the appeal, and its decision shall be final.

Section 15 - Procedure in Case of Appeals. If any person shall feel aggrieved by any action of the county committee, he may submit his appeal in writing within 30 days to the State committee, and the State committee shall, as soon thereafter as possible, cause an investigation to be made at such place as shall be desirable and proper, having regard to the character of the controversy and the locality of the stored commodity and residence of the parties involved.

Section 16 - Definitions As Used in These Regulations.

- (a) The term "Act" means the Agricultural Adjustment Act of 1938 as amended.
- (b) The term "Secretary" means the Secretary of Agriculture of the United States.
- (c) The term "State Committee" means the group of persons designated within any State to assist in the administration of the 1938 Agricultural Conservation Program and Title III of the Act.
- (d) The term "county committee" means the group of persons elected within any county to assist in the administration of the Agricultural Conservation Program in such county.
- (e) The term "inspector" means the person appointed by the county committee and approved by the State committee to inspect the storage structures and commodities to seal such structures.
- (f) The term "commodity" means any agricultural commodity which, when properly stored on the farm, is acceptable as collateral for loans through the Commodity Credit Corporation under the Act.
- (g) The term "structure" means any crib, bin, granary, and any other building or structure in which any agricultural commodity is stored.
- (h) The term "owner" means any person or persons (whether individuals, copartnerships, or corporations) who shall either personally or as trustee have title to or the right to possession of any stored commodity under these regulations.
- (i) The term "person" means an individual, corporation, partnership, or two or more persons having a joint or common interest.

PART II

Tentative

Instructions for State and County Committees for
Determining Eligibility and Completing Documents
for Wheat Loans Under the 1938-39 Wheat Loan Program

SECTION I - Applicants. - Producers desiring wheat loans should be instructed to make application to the county agricultural conservation committee. Committeemen and employees of the county office will explain the program to such applicants and make a determination as to the eligibility of the producer for a loan and a preliminary determination as to the eligibility of his wheat and storage. Sections 2 and 3 of the Loan Agreement (1938-39 CCC Wheat Forms A and B, hereinafter referred to as the Loan Agreement), and Section 1 of the instructions concerning the making of loans (1938-39 CCC Wheat Form 1, hereinafter referred to as Wheat Form 1), refer to eligibility and should be understood thoroughly before any determination relating to eligibility is made. In making preliminary determinations, the committeemen should, if the wheat is to be stored on the farm, question the applicant concerning the storage structure in which the wheat is to be stored or which now contains the wheat to ascertain its eligibility. A careful study of the instructions contained herein for preparation of the wheat inspectors work sheet (1938-39 CCC Wheat Form K, hereinafter referred to as the Work Sheet), will enable the committeemen to make the preliminary determination as to storage structures. It should be determined that the wheat was produced by the producer making application. If the above determinations indicate that the producer and his wheat are eligible for a loan, the county committee should instruct an inspector to make an inspection and complete a Work Sheet.

SECTION 2 - Producer Eligibility. An eligible producer is defined in Wheat Form I as a producer on whose farm the soil-depleting crop acreage is not in excess 105 percent of the total soil-depleting allotment for the farm. The county committee shall determine from the information contained in Section II of the Farm Report NCR-217 whether the producer is eligible for a loan before the inspector proceeds to the farm. If the Farm Report, Form NCR-217 for the farm has not been completed, the county committee should make arrangements for the completion of the form as soon as possible.

SECTION 3 - Eligibility of Storage Structure. A bin or granary to be acceptable for storage of wheat as collateral for a Federal loan must, (a) hold grain without loss of quantity, (b) protect the grain from rain, snow, and ground water, (c) provide reasonable protection from damage by birds, mice, rats, and other animals, (d) be suitable for effective fumigation for the destruction of insects, (f) provide reasonable protection against loss by fire or wind. The storage structure shall be such as is required to properly store wheat in accordance with good storage management in the locality. Information with reference to such structures may be obtained from 38-Wheat-1 "Wheat Storage in the Ever-Normal Granary."

SECTION 4 - Liens. The inspector will secure from the applicant the names of lienholders having liens in connection with the wheat offered as collateral. Those will be listed in item 15 of the Work Sheet.

Prior to the preparation of the Note and Loan Agreement, the county committee shall check the list of lienholders supplied against the county records to be certain that all existing liens of record in force with respect to the wheat are known. These records are so maintained that once the method of keeping them is explained to a representative of the county committee office by the person in charge he will have no difficulty in quickly ascertaining the existence of any liens of record with respect to wheat offered as collateral for a loan. The person checking the records should make a memorandum of liens so that waivers may be secured. It may be practical for the county committee to arrange with the county recording official for a lien abstract. The note and loan agreement provides for the listing of lienholders and their waivers. Wheat Form 1 gives this duty to the producer, however, the county committee can be of service and expedite the approval of the loan.

SECTION 5 - Consent of Storage. The producer must secure consent for storage as provided by the note and loan agreement. This may be done at the time the landlord's waiver of lien is secured. If any tenancy, other than that indicated in the Note and Loan Agreement exists, such person should also sign the consent for storage.

SECTION 6 - Completion of the Note and Loan Agreement. The wheat producer's note and loan agreement are to be prepared for signatures in the county office. It is not necessary that the producer sign the note in the county office, but it is necessary that the county office secure the name of the bank or lending agency to whom the producer plans to sell the note if the loan is not to be a direct loan with the Commodity Credit Corporation. As indicated in Wheat Form 1, each loan agreement is to be assigned a serial number which is to be used in connection with the State and county code numbers. This number shall also be entered on the note. Such serial numbers shall be assigned consecutively.

Section 1 of the loan agreement requires, (a) the name of the State in which the wheat is stored, (b) the name of the county in which the wheat is stored, (c) the seal number(s), (d) number of bushels of wheat used in computing the loan, (e) the percentage of moisture of the representative sample(s), (f) the grade and class of the wheat, and (g) the amount of the loan. The amount of the loan in dollars must conform to the amount listed in the note. Paragraph (d) of Section 3 requires a statement as to tenancy.

Section 10 provides for the signatures, witnesses, and acknowledgment. Instructions on signatures and authorizations are to be made in accordance with Form ACP-16 "Instructions on Signatures and Authorizations" issued by the Agricultural Adjustment Administration, October 1, 1936.

Section 11 refers to liens and waivers of liens. The names and signatures in this must be the same as on the recorded liens.

Section 12 is the inspector's certification and must be executed by the inspector who inspected the storage structure and the wheat.

Section 13 provides for consent for storage.

Section 14 provides for the certification by a member of the county committee for and on behalf of the county committee. After the preparation of the note and loan agreement, it should be carefully checked to be sure it is complete and proper. If the wheat is represented by a warehouse receipt as certified, it should be checked to see that it is complete and issued by an approved warehouse.

In no event shall the county committee certify a note and loan agreement until all loan documents are complete and properly signed.

SECTION 7 - Insurance. There are two types of insurance coverage used in connection with the wheat loan program. These coverages are referred to as primary insurance and secondary insurance. The producer must obtain the primary insurance coverage and evidence of the same in the form of a complete certificate of insurance showing that the provisions of Section 10 of Wheat Form 1 have been met before it is possible for him to secure his loan.

The secondary insurance refers to the blanket policy issued to the Commodity Credit Corporation to protect it with reference to any errors or omissions in the primary insurance coverage (Example: Failure of primary insurance company to pay loss), and also against loss on account of theft, conversion, and certain other risks not covered by the primary insurance carried by producers. The cost of this insurance will be added as a charge to the amount of the loan at the time the loan is paid. The rate of this insurance is _____ per \$100 per month on a daily average balance of loans carried by the Commodity Credit Corporation. The charge made to the borrower is only for that time that his loan is carried by the Commodity Credit Corporation. Banks and other lending agencies desirous of this type of insurance (in addition to the primary insurance carried by the producer) for the period of time they carry this paper may obtain such coverage under the Commodity Credit Corporation's blanket policy by negotiating directly with the Commodity Credit Corporation. The county committee should explain to local lending agencies that they assume the risks incidental to losses covered by this type of insurance while the paper is in their hands and, therefore, it is desirable that they procure coverage under the Commodity Credit Corporation blanket policy.

SECTION 8 - Direct Loans. In the event a producer desires to transmit his note and loan agreement directly to the Commodity Credit Corporation, it will be necessary that a note and loan agreement be duly stamped by the proper county recording official and be accompanied by 1938-39 CCC Wheat Form C, and the insurance certificate. Wheat Form C will be prepared in the office of the county committee and requires the certification of the county committee. This certification is for the purpose of identifying the person transmitting the note and loan agreement and to advise the Commodity Credit Corporation to whom the proceeds of the loan shall be paid. All farm storage loans must be made direct to the Commodity Credit Corporation.

SECTION 9 - Record of Certifications. A summary record of all certifications made by the county committee in Section 15 of the loan agreement recommending

producers for wheat loans will be maintained on CCC-WL-_____, "County Committee Report of Wheat Loans Certified." This form is to be prepared in triplicate, one copy to be retained in the county office, one copy to be sent to the State committee, and one copy to the office of the Regional Director, Washington, D.C. These copies are to be forwarded to the above offices on the 1st and 16th days of each month during the loan period.

SECTION 10 - Determination of the Amount of the Loan. The amount of the loan shall be determined in accordance with Section 6 of Wheat Form 1. All calculations made in arriving at Items 12, 13, or 14, of the Work Sheet should be recomputed in the county office.

The number of cubic feet of wheat, as indicated in Item 14 of the Work Sheet should be divided by 1.25 or multiplied by 0.8, either of which will give the number of bushels of wheat, if test weight is 60 pounds per bushel. Number of bushels thus obtained should be multiplied by the appropriate factor shown in Section 6 of Wheat Form 1. The appropriate factor will be determined by the test weight per bushel indicated on the moisture test and grade form (1938-39 CCC Wheat Form H). If the moisture test and grading is done by any other authorized agency, the test weight per bushel determined by such agency shall be used. For instance- if the number of bushels of wheat is 1000 and the weight per bushel indicated on the moisture test and grade form is 58 pounds or more, and less than 59, the factor is 0.96. 1000 multiplied by 0.96 gives 960 bushels- 960 bushels less 5 percent (48 bushels) gives 912 bushels, which is the number of bushels to be entered in the Note and Loan Agreement. In all cases, before the number of bushels is entered in the Note and Loan Agreement, a 5 percent deduction should be made as margin of safety.

The loan rate per bushel for each grade and subclass shall be as indicated in parts (B), (C), and (D) of Section 6 of Wheat Form 1. Part (B) provides the rate for specific grades and subclasses of wheat stored at the certain terminal markets. Part (C) (1) indicates certain counties and markets for wheat stored at county points. The loan rate for these counties shall be the basic loan rate for the terminal market for the county less freight to the said terminal market and less _____ cents per bushel. Part (C) (2) indicates the counties not listed in part (C) (1) and indicates the loan rate for specific grades and subclasses. Part (D) provides the loan rates for eligible grades and subclasses not included in parts (B) and (C). The applicable rate times the number of bushels arrived at above will be the amount of the loan to be entered in the Note and Loan Agreement.

SECTION 11 - Loans Secured by Federal or other Warehouse Receipts. The above procedure, where applicable, shall apply with reference to determining the eligibility of producers and completing loan documents for loans upon wheat stored in Federally licensed or other approved warehouses. A producer desiring a loan upon wheat stored in a Federally licensed or other warehouse, shall make application for such loan to the county committee, and shall offer as evidence of his ownership of the wheat, a Federal or other approved warehouse receipt. The county committee

shall represent the Agricultural Adjustment Administration in the preparation of all loan documents and certify approval of each such loan. Records of certifications for loans upon wheat stored in Federally licensed or other approved warehouses shall be kept with the records pertaining to loans made upon wheat stored on the farm, and shall be included in reports submitted to the State committee, and to the Regional Director's office.

PART III

INSTRUCTIONS FOR INSPECTORS IN PREPARATION OF WORK SHEETS
AND TAKING REPRESENTATIVE SAMPLES

Inspector's Work Sheet and Samples of Wheat. The inspector will proceed with the completion of the Work Sheet in accordance with the instructions contained herein, the taking of a representative sample and filling out of 1938-39 CCC Wheat Form H (hereinafter referred to as Moisture Test and Grade Form), and the mailing of the franked and addressed moisture-proof containers used to ship representative samples of wheat to the State Office. A supply of moisture and grade forms signed by a member of the county committee should be in the possession of each inspector in order that the inspector may place the sample in the mail for transmission to the State Office without returning to the county office.

INSTRUCTIONS FOR PREPARATION OF WHEAT INSPECTOR'S WORK SHEET

Inspectors shall follow these instructions in making inspections of and classifying the various parts of a granary structure, taking wheat measurements, and recording of such data on the Work Sheet (1938-39 CCC Wheat Form K). Inspectors should suggest to producers whose granaries do not conform to the requirements, the repairs or improvements necessary to meet the requirements.

A Work Sheet must be completed for each granary of wheat that is offered as collateral for a loan. The State and county code numbers and the serial number of the loan shall be placed in the space provided in the upper right-hand corner of the Work Sheet when the loan documents are completed.

GENERAL INFORMATION

Item 1. Print the borrower's name as it is to appear on the Note and Loan Agreement. Designate whether the borrower is the owner or tenant.

Item 2. The borrower's post-office address must be given.

Item 3. Give the distance and general direction from the nearest city or town and the legal description of the property upon which the granary is located.

Item 4. A separate structure especially constructed for grain storage is desirable. Such structures usually offer more protection from rodents, and ordinarily the fire hazards are not so great.

Storage of wheat in a building designed for another purpose is generally objectionable. A bin built in livestock quarters where the wheat may absorb moisture or odors should not be accepted.

Granaries built as a part of machine sheds and other buildings which do not house livestock may be acceptable. Extra precaution should be taken by the producer to protect the wheat in such granaries from rodents.

If the granary is not a part of the farmstead group and is in a somewhat isolated location, extra precaution should be taken by the producer to prevent theft of the wheat collateral.

Granaries located on river or creek bottom land, subject to overflow, are not suitable storage structures for storage of wheat on which loans are desired and should not be sealed for that purpose.

Indicate what kind of structure, if any, the bin is located in; the number of feet the structure is from the nearest building; whether the storage structure is a part of the farmstead group, and whether the land on which the structure is located is subject to overflow.

CONSTRUCTION OF BIN OR GRANARY

Item 5. A bin or granary to be acceptable for a loan must, (1) hold the grain without loss of quantity; (2) protect the grain from rain, snow, and ground water; (3) provide reasonable protection from damage by birds, mice, rats, and other animals; (4) be adapted to fumigation for destruction of insects, and (5) provide reasonable protection against loss by fire or wind. Bins which do not meet these requirements can often be made acceptable by repairing or rebuilding at a reasonable cost.

Item 6. A good foundation is very essential to the life and usefulness of a granary. One of the most satisfactory types of foundation is a concrete wall extending below the frost line in the ground and above the ground level at least 18 inches. Concrete piers, stone walls, and stone piers may serve satisfactorily for small granaries but may settle unevenly when overloaded, thereby causing the building to break open and deteriorate rapidly. Wood sills and piers are frequently used for small granaries but are always subject to rapid decay, and granaries with this type of foundation should not be sealed for a loan if the sills and piers are in a condition which would make the storage of wheat hazardous. A continuous foundation wall supporting a wooden floor should have screened openings for ventilation.

Item 7. Solid concrete floors should extend at least 12 inches above the ground level. Low, concrete floors are not desirable in that they may become wet and cause the wheat in the bottom of the bin to spoil. Such floors should be covered with board overlays on wood joists, and the space between the concrete and the board floor left open to allow ventilation, and the openings screened to keep out rodents.

Steel granaries are frequently constructed with metal floors. Such floors should be at least 8 inches above the ground. A good precaution before filling such granaries with wheat is to lay a board

floor on the metal in order to prevent the wheat in the bottom of the granary from spoiling.

Item 8. Granary walls must be tight. Preferred construction for frame bins is with two thicknesses of material on the outside of the studs, with a layer of good paper between. Single walls of plain boards may be made weather-tight by applying building paper and an additional layer of siding or by lining of matched boards on the inside of the studs, starting 4 inches above the floor. All holes where rodents may enter should be blocked. In case a structurally sound wall cannot be made practically gas-tight without undue expense, it should be lined with a strong grade of odorless paper. Masonry walls should be thoroughly pointed up and waterproofed to prevent rain driving through. Unless the wall is dry, it should be furred and lined with matched lumber or plywood with an opening at the bottom for cleaning. Metal bins or granaries should be thoroughly examined for loose or missing bolts; all joints must be tightly drawn.

Item 9. The inspector should see that the roof is tight, substantial, and well nailed. Rollroofing is subject to wind destruction and is ordinarily not satisfactory as a covering for a permanent roof.

Item 10. All doors and windows must be weatherproof and safe against leakage of grain. The main entrance to the bin should be fitted with safety hasp for sealing. All other openings should be fastened inside or nailed shut. All doors and openings in contact with the Wheat should be tight enough to hold fumigating gases. Unless practically air-tight, they should be covered inside with tough paper overlapping the opening. If there is storage space above the bin, tight ceiling should be provided to protect the grain from foreign material.

MEASUREMENTS AND QUANTITY DETERMINATION

Item 11. All figures listed under this item must be actual measurements, not estimates. The measurements of the wheat must be inside bin measurements and must be taken very carefully. Before measuring the height of the wheat, the inspector should insist that the wheat be leveled off evenly and the inspector should chalk mark the wheat line on the inside of the bin. Extreme care should be taken in measuring the diameter of a round bin or granary. The inspector should get inside on top of the wheat to measure the inside diameter of the bin or granary and the diameter of the ventilator, if any.

Item 12. The volume of a rectangular bin or granary is computed by multiplying the width by the length by the height, which gives the cubic feet.

The volume of a round bin or granary is computed by multiplying the circumference by one-fourth the diameter times the height. In case the round bin or granary has a ventilator in the center, the inside diameter of the bin less the outside diameter of the ventilator should be divided by four, and the result obtained multiplied by the circumference, and this product multiplied by the height to secure the cubic feet.

Item 13. Where bins or granaries of any type contain chutes, ventilators, studs, crossties, etc., which take up space included in the overall measurements of the wheat, careful measurements should be taken and the total volume in cubic feet should be shown in item 13.

14. Deduct item 13 from item 12. The result is the volume of stored wheat in cubic feet. These items may be transferred to bushels by merely dividing the number of cubic feet by 1.25, or multiplying by 0.8, either of which will give the result in bushels. If determined by weight, a bushel shall be sixty (60) pounds of clean wheat, free of dockage.

15. List the names of all lienholders.

16. If the producer is a tenant indicate the date of the expiration of his lease.

17. If the producer is a tenant indicate the landlord's name and address.

18. If the loan is not to be made directly from Commodity Credit Corporation, indicate the name of the lending agency.

19. Indicate the delivery point at which the producer agrees to deliver the wheat in case the loan is called.

20. If the inspector finds any evidence of heating, smut, garlic, mustiness, or other undesirable condition, he should so state in his remarks, and give the extent of such undesirable condition. If the inspector believes the collateral and storage structure are acceptable for a loan he should close the bin and attach the official seal thereon before leaving the premises.

At the time the inspector attaches the seal to the bin or granary he should place a number upon the seal in the space provided therefor and enter the same number in the space provided in the upper right-hand corner of the Work Sheet. He should then sign the certification provided on the Work Sheet and deliver it to the county office. The original will be filed in that office and the duplicate mailed to the State office.

The space for the State office determination of moisture, grade, class, subclass, and weight are for the use of the State office.

Taking Representative Sample

The taking of a representative sample is the most important part of the inspector's work. The county committee will supply the inspector with a Government approved grain probe, and a 66" x 30" sampling cloth for taking the wheat samples. The inspector must get in on top of the wheat and take samples from at least five places in the bin, being careful in each instance to thrust the probe to the full depth of the wheat. If the wheat is over five feet in depth, it may be necessary

to shovel aside some of the wheat in order that the probe may be thrust to the bottom of the bin.

The wheat samples from probe must be carefully emptied on the sampling cloth in parallel lines so that each portion can be carefully examined. If the inspector finds the wheat is heating, infested with insects or otherwise obviously below the required grade requirements, he shall immediately withhold recommendation of the collateral for a loan, and so inform the producer. The producer may fumigate, turn, clean, or otherwise condition such wheat so that it may be in acceptable condition at a later date.

If the above inspection is satisfactory, the inspector should, at once, thoroughly blend the various samples of wheat taken from the bin and a representative sample of wheat from the bin shall be placed in the moisture-proof container and shipping bag supplied by the county committee. The total weight of the wheat sample and container must not exceed four pounds, which is the franking limit under Postal Regulations.

Where the county committee authorizes the inspector to mail the representative sample direct to the State office or other testing laboratory instead of delivering it to the county office, the scaler must be sure that a properly prepared moisture test and grade form accompanies the sample. This form must be inserted between the inner cellophane envelope containing the moisture sample and the Kraft envelope so that the moisture test and grade form will not absorb moisture from or impart moisture to the sample. The Kraft envelope containing the moisture sample should be placed in the canvas shipping bag, together with the remainder of the sample. Samples of wheat must be nailed the same day they are obtained.

WHEAT INSPECTOR'S WORK SHEET
(Answer by check mark (), wherever possible)

GENERAL INSTRUCTION

1. Name _____ Owner _____ Tenant _____
2. Post-office address _____,
(R. F. D.) _____ (Town) _____ (State) _____
3. Granary is located _____, from _____
(Miles) _____ (Direction) _____ (Nearest Town) _____
on the _____ of the _____ of Section _____, Township _____,
Range _____, County of _____, State _____.
4. Wheat bin is in a granary _____, livestock barn _____, or other building _____; _____ feet
from nearest building; is _____ is not _____ part of farmstead group, and is _____
is not _____ located on land subject to overflow.
5. Type of Structure: Wood _____; steel _____; masonry _____. General Dimensions:
width _____; length _____; height outside wall _____; diameter, if round _____.
Condition: Good _____; Fair _____; Poor _____.
6. Foundation: concrete wall _____; concrete piers _____; stone wall _____; stone piers
_____; wood _____; Other _____.
Condition: Good _____; Fair _____; Poor _____.
7. Floor: Wood _____; concrete _____; metal _____; wood on concrete or metal _____. Height
of floor above ground level _____ inches.
Condition: Good _____; Fair _____; Poor _____.
8. Walls: Wood _____; metal _____; masonry _____; furred and sheathed with wood _____. If
wood dimension of studs _____; spacing _____. Walls have single _____;
double _____; sheathing on outside of studs are _____ are not _____ sheathed on inside
of studs.
Condition: Good _____; Fair _____; Poor _____.
9. Roof: Wood shingles _____; asphalt shingles _____; metal _____; roll roofing _____.
Other _____.
Condition: Good _____; Fair _____; Poor _____.
10. Sealing of Granary: All openings above grain are boarded up _____; covered with
wire _____, and doors and windows are _____ are not _____ nailed or sealed.

Measurements and Quantity Determination.

11. Measurements of wheat stored in the above-described structure:
Width _____; length _____; height _____; diameter, if bin is round _____
Width _____; length _____; height _____; diameter, if bin is round _____

12. Volume computed from above measurements in cubic feet _____ - _____ bu.
13. Deductions for studs, crossties, etc. in cubic feet _____ - _____ bu.
14. Total quantity of wheat in cubic feet _____ - _____ bu.
15. List of lienholders _____
16. If tenant, expiration date of lease _____ 19 ____.
17. Name of landlord _____ Address _____
18. Name of lending agency _____ Address _____
19. Designate delivery point _____
20. Remarks regarding heat, smut, garlic, must, etc., _____

State office Determination: Grade _____

% moisture _____. Test weight per bushel _____ pounds.

REMARKS: _____

CERTIFICATION

I HEREBY CERTIFY that I am a qualified inspector duly appointed by the county agricultural conservation committee for the county in which the above-described storage structure is located, and that I have made a personal inspection of the premises and property in this schedule and aver that the statements, answers, and measurements stated herein are, to my knowledge and belief, true and correct.

I RECOMMEND that the granary described herein (be) (not be) accepted as eligible storage for a Federal wheat loan.

(Signed) _____

(Address) _____

Date _____ 19 ____.